



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 22, 2000

### **H.R. 3312**

**A bill to clarify the Administrative Dispute Resolution Act of 1996 to authorize the Merit Systems Protection Board to establish under such act a 3-year pilot program that will provide a voluntary early intervention alternative dispute resolution process to assist federal agencies and employees in resolving certain personnel actions**

*As ordered reported by the House Committee on the Judiciary on September 20, 2000*

H.R. 3312 would authorize the Merit Systems Protection Board (MSPB) to establish a three-year pilot program to encourage agencies and employees to use alternative dispute resolution (ADR) procedures to settle disputes before they escalate into formal actions before the MSPB. The bill would require that the MSPB evaluate and report on the pilot program within six months of its expiration. H.R. 3312 would authorize the appropriation of such sums as are necessary each year to implement the program.

Based on information from the MSPB, CBO estimates that implementing H.R. 3312 would cost around \$2 million in each of fiscal years 2001 through 2003. (The MSPB received an appropriation of \$27.6 million for fiscal year 2000.) That estimate would allow the MSPB to develop and advertise the program to federal agencies, to both hire new employees and contract with nonfederal professionals, to train and certify individuals in the practice of ADR techniques, and to report on the program's effectiveness. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 3312 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is John R. Righter. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.